

F. E. COYNE, POSTMASTER AT CHICAGO.

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L E T T E R

FROM THE

ACTING POSTMASTER-GENERAL,

TRANSMITTING

CLAIM OF F. E. COYNE, POSTMASTER AT CHICAGO.

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JANUARY 13, 1902.—Referred to the Committee on Claims and ordered to be printed.

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POST-OFFICE DEPARTMENT,  
OFFICE OF THE POSTMASTER-GENERAL,  
*Washington, D. C.*

SIR: In compliance with the requirements of the act of Congress approved June 11, 1896 (p. 458, Statutes at Large), I have the honor to transmit to the Congress the claim of F. E. Coyne, postmaster at Chicago, Ill., for a credit on his postal account of \$74,610 for postage stamps stolen from the said post-office by burglars October 19–20, 1901.

I also transmit copies of so much of the report submitted by the inspector by whom the matter was investigated as relates to the amount of the loss and the manner in which the burglary and theft were effected; also copies of affidavits made before the inspector by clerks in the said post-office having knowledge of facts material to the claim.

Being satisfied that the loss resulted from no fault or negligence on the part of the said postmaster or of anyone employed in the post-office, I recommend that authority be granted to allow the credit claimed.

Very respectfully,

W. M. JOHNSON,  
*Acting Postmaster-General.*

Hon. DAVID B. HENDERSON,  
*Speaker House of Representatives.*

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[Case No. 33456 D. W. S. Mayer, post-office inspector.]

POST-OFFICE DEPARTMENT,  
OFFICE OF POST-OFFICE INSPECTOR,  
*Chicago, Ill., Nov. 2, 1901.*

SIR: I have the honor to return herewith the case of the above number, relative to the burglary of the post-office at Chicago, Ill., F. E.

Coyne, postmaster, October 19-20, 1901, when \$74,610 in postage stamps were stolen.

As this burglary is probably the greatest, so far as regards the amount stolen and manner of commission, in the history of the Post-Office Department, I deem it proper to give at the outstart of this report a brief description of the building and surroundings in which it occurred.

In 1896, when the construction of the new Government building was begun, the post-office was moved to a temporary brick structure, erected on ground owned by the city on the lake front, between Randolph and Madison streets. This ground in the early days of Chicago was submerged, but was filled in largely by the débris of the great fire of 1871 and subsequently by the sweepings of the city, and although intended for park purposes, up to the time of the erection of the temporary post-office had remained bare. For a number of years a legal controversy had been pending between the city and the Illinois Central Railway as to certain rights covering this and adjoining land, which was finally decided in favor of the city, and then a stone wall was erected as the dividing line between the Illinois Central right of way and the property owned by the city. This wall runs immediately in the rear of the post-office building. Between the wall and the building there is a driveway for mail wagons.

When the building was erected the only foundations used were short brick pillars, resting on the ground, without extra reenforcement of piling or cement piers, and it naturally followed, because of the softness of the ground, that the building settled to an unusual extent, in some places as much as 10 inches. Two years ago, in order to stop this settling, Goebel & Co., a firm of building contractors, were employed to strengthen the foundations, and in this work it was necessary to dig a number of ditches under the building, extending in various directions. After the work was completed the ditches were permitted to remain, and they are of sufficient depth to allow a person to pass in a stooping or kneeling position from one part of the building to another under the floors.

At about the same time that the foundations were strengthened there was an addition made to the south end of the building, and also the platform in the rear for receiving and dispatching mails was extended to cover the entire length of the east side of the building. This platform is 3 feet from the ground, and is so arranged as to form rooms at either end. At the north end are the printing and supply rooms and at the south end is a carpenter shop and storeroom. Also at the south end of the platform there is a stairway, partitioned off on either side, leading to the post-office restaurant. This restaurant was put in for the use of the post-office employees at the time the addition was made to the south end of the building, and occupies a mezzanine floor there.

The partitioned stairway from the platform up to the restaurant was placed there as a means of entrance and exit for the employees of the restaurant, and was partitioned off on either side so that the restaurant people would not have access to the workrooms of the post-office. The platform is inclosed at the base, except at one point just below the stairway leading to the restaurant, and here an opening, measuring 2 feet 6 inches high by 18 inches wide, was left so that the steam pipes running under the platform could be reached for repair should necessity

arise. There is a door covering this opening, and the door has a hasp and staple, but it was never locked. At the point where this opening was left there is quite a space between the floor of the platform and the ground, and this space has been used by the restaurant people as a place to throw their empty boxes and similar refuse. The post-office carpenter, whose shop is nearly over the opening, says that about a year ago he saw a tramp coming out of there and supposed that he had been sleeping under the platform, but aside from this no one, so far as can be ascertained, was ever seen to go in or out of this opening. At a casual glance this small opening in the platform inclosure seems of no special importance, and ordinarily would be passed without notice, but in this burglary it becomes a most important feature, as it was here that the burglars found a way to start their work without observation from the outside. Once under the platform, they were able to attack the base of the main wall of the east side of the building.

From the marks left by them it appears that they first began to cut a hole in the wall at a point about 30 feet north of the platform opening, but for some reason, probably because there was a chance of being seen from the outside, this was not continued, and they went another 30 feet north, where they cut a hole large enough to permit the passage of a man's body. The wall here is over 2 feet thick, and the cutting of this hole must have consumed a number of hours. With this hole through the wall it was easy to reach the ditches that had been left when the foundations were strengthened, and by following these ditches to reach the base of the vaults in the cashier's department, about 300 feet from the place of entrance.

There are three vaults in the cashier's department, placed contiguously. The largest is attached to the cage of the cashier's room proper, and in this is kept the general postage-stamp supply, for the most part in the original packages as received from the Bureau of Engraving and Printing, and also different amounts in money belonging to the various funds under the cashier's supervision. The interior of this vault can not be seen by the public. Adjoining this on the east is a small vault in which money-order forms are kept, and which is opened only occasionally as these forms are needed. The third vault is in the wholesale stamp room, a branch of the cashier's department, and is placed back to back with the money-order form vault. The cashier's vault extends the entire length of the space covered, while the other two are only half as deep, the money-order form vault opening north, the same as the cashier's vault, and the wholesale stamp vault opening south. The entire interior space of the wholesale stamp vault can be seen from the public lobby when the vault door is open, and it is usually open during business hours, the only obstruction to the view being the wire and glass screen that forms the wholesale stamp clerk's compartment.

When the post-office was moved five years ago there was placed in the money-order form vault a cabinet of drawers containing papers belonging to the assistant postmaster, and was put there at his request. In May, 1900, it became necessary to put some shelves in this vault, and by direction of the post-office auditor, who had charge of the work, the cabinet was removed to the wholesale stamp vault. It was put in the southeast corner of the vault, and has remained in that position, without being moved, from May, 1900, until the burglary was committed. The vault measures 4 feet by 6 feet and the cabinet meas-

ures 30 inches by 27 inches at the base, being 30 inches high. The cabinet had no rollers and rested flush with the floor. It could be plainly seen from the public lobby when the vault door was open, and it evidently formed an important element in the plan of the burglary.

When the burglars had passed through the hole they had made in the wall and through the ditches to the base of the vaults in the cashier's department, they had only to determine the position of the cabinet in the wholesale stamp vault and cut a whole in the floor immediately beneath it. There was no other heavy masonry in that part of the building, and as soon as they came to the southeast corner of the vault foundations they knew they had reached the point desired.

The vaults rest on brick foundations, which are constructed in the form of an arch under each vault. Under the wholesale stamp vault there was a 2-foot brick wall, forming a hollow square. Resting upon this square was a wooden arch supporting two layers of brick and 2 feet of concrete beneath the steel floor of the vault. When the burglars reached this point they cut a hole in the brick wall, took out a large section of the wooden arch, brick, and concrete, and then the floor of the vault was exposed. This floor is quarter-inch Bessemer steel plate. By drilling over 100 holes in this plate, each joining the other, they were able to take out a piece about 18 inches square. Just above the hole was the cabinet of drawers, and with this moved access was obtained into the vault.

How long a time was consumed in doing this work is largely a matter of conjecture, but from the appearance of the drill holes in the steel floor plate it seems safe to conclude that a month at least elapsed between the boring of the first and the last hole. The plate was bored on three sides clear and the fourth side only partially through and then broken off. This was probably done because it could not be exactly determined whether or not the holes in the fourth side would come through the floor outside the space covered by the cabinet, which would have led to immediate discovery. So long as the burglars were not seen going in or out of the little opening under the platform, and so long as the cabinet remained in the same place in the vault, they knew that they could continue the work until it was completed to their satisfaction. From finger prints on the bottom of the cabinet it is concluded that after the plate was cut out of the floor the cabinet was moved from over the hole by lifting with the hands, and probably the hands of one man, showing that whoever he may have been he had immense physical strength, as the cabinet weighs several hundred pounds and was made heavier by two small stamp cabinets that were put upon it when the vault was closed.

Now as to clues. So far as can be learned, no one has been seen going into or out of the hole under the platform. No one has been seen examining the condition of the vault from the public lobby. The night watchman, J. D. Brinkman, whose duty requires him to make a tour of the outside of the building once an hour during the night, says that on Sunday night, the 20th, he saw a man standing at the northeast corner of the building, and asked him what he was doing there. The man appeared to have been drinking, and gave an indefinite reply. Brinkman told him to move on, and the man left. Brinkman thought he could recognize a photograph of this man, and he was taken to the bureau of identification of the city police department, where a number



of pictures were shown him, but he could not recognize any of them. Brinkman says also that on Sunday night, the 20th, he saw what appeared to be an express wagon, driven by a man with a full beard, pass the rear of the building twice, and, although he hailed, the wagon did not stop. He would not be able to recognize the man or the wagon should he see them again. A mail collector reports that on Sunday night, the 20th, he saw a wagon standing near the southeast corner of the building, and as he came up it moved away. He was not close enough to identify either the wagon or driver.

In the excavations under the vault there were found a number of broken drills, which had evidently been used by the burglars, but which bore no marks for identification. Also near the same place two electric dry batteries were found, the kind that are used in electric torches. Both of these dry batteries bore date August 29, 1901, and a guaranty from the manufacturer for one hundred days from date. It has been found, after considerable inquiry, that these batteries were made by the American Electric Novelty Company, 248 East Madison street, Chicago, Ill., and from the proprietor it was ascertained that they make over 300 per day. He gave the names of all concerns in the city who had received batteries bearing date of August 29, and each of them were visited, but without identifying the batteries in question. It is probable, however, that these batteries were purchased from Spaulding & Co., sporting goods establishment on Dearborn street, as they were supplied with four of the August 29 make. Spaulding & Co. told us that they carried only a few of these batteries in stock, ordering them from day to day, and sold them to the public generally. They said that even if these batteries were bought from them there would be no way of identifying the purchaser.

Last spring a clerk in the post-office \* \* \* was arrested by Inspector Farrell for stealing mail, and while in jail awaiting trial he told Mr. Farrell that one of his fellow-prisoners had told him that a great "job" was being planned at the Chicago post-office. Recalling this, Mr. Farrell went to Dixon, Ill., where \* \* \* is now serving his sentence, and interviewed him. \* \* \* said that the "job" to which he had referred was mentioned to him by one \* \* \* who had been arrested for using the mails in conducting a scheme to defraud, and was in regard to a plan to rob the superintendent of the money-order division while going to the bank to make a deposit. \* \* \* is well known as a sneak thief, but has not, so far as shown by his record, ever been connected with a burglary, and he has not the physical strength to do any of the work required in this one. \* \* \*

When the burglary was first discovered at 7.40 o'clock Monday morning, October 21, it was at once reported to the inspector's office. Inspector Dement was in the office, and immediately telephoned the chief of police who sent eight men from the city detective headquarters. These eight officers have since that time devoted themselves to assisting the inspectors in making the investigation. We have also had the assistance of the Pinkerton National Detective Agency, and particularly of Mr. William A. Pinkerton personally. \* \* \* Although up to the present time no definite information has been obtained by which the burglars can be apprehended, yet, as the investigation will still continue to be vigorously prosecuted, we are not without hope that our work may bring success.

As stated in the opening paragraph of this report, the amount stolen was \$74,610 in postage stamps.

Under the system that obtains in the cashier's department of the post-office the general postage-stamp stock, amounting usually to \$500,000 or over, is kept in the cashier's vault. From this stock is supplied upon requisition from the wholesale stamp clerk such stamps as may be needed for sale to the public, the wholesale clerk serving as distributor to the various places where stamps are sold about the city. Previous to last August the wholesale clerk received the cash and kept a large amount in his vault over night, but the system was then changed, all the cash going to the clerk called the "stamp teller," who puts it in a safe at night. Therefore, on the night of the burglary, there were only stamps in the wholesale clerk's vault. Fred O. Spalding, the wholesale stamp clerk, was the only person connected with the office who had access to this vault. On Saturday, October 19, at 12.30 o'clock p. m., he closed the vault and went home for the day. Upon next opening it Monday morning, the 21st, at 7.40 o'clock, he discovered the hole in the vault floor and that nearly all of the stamps he had left there had been stolen, all that remained being \$1,139 in two-dollar and five-dollar stamps, which were between two sheets of pasteboard and were found on the floor of the vault, and \$319 in 2-cent stamp books, which were found in the excavations beneath the vault.

The stamps stolen were as follows:

Denomination.	Number.	Value.
1-cent stamps .....	1,776,200	\$17,762
2-cent stamps .....	1,662,900	33,258
3-cent stamps .....	21,700	651
4-cent stamps .....	23,400	936
5-cent stamps .....	21,900	1,095
6-cent stamps .....	13,600	816
8-cent stamps (ordinary).....	25,900	2,072
8-cent stamps (Pan-American).....	19,600	1,568
10-cent stamps (ordinary).....	32,000	3,200
10-cent stamps (Pan-American).....	32,600	3,260
15-cent stamps .....	18,800	2,820
50-cent stamps .....	480	240
\$1 stamps .....	150	150
Special-delivery stamps .....	20,600	2,060
1-cent postage-due stamps .....	15,500	155
2-cent postage-due stamps .....	18,600	872
5-cent postage-due stamps .....	25,100	1,255
10-cent postage-due stamps .....	29,400	2,940
Total.....		74,610

I transmit herewith, as Exhibits C, D, E and F, the affidavits of Thomas R. Melody, bookkeeper; William R. Dawes, cashier; Fred. O. Spalding, stamp clerk, and Frank B. Nilles, stamp clerk, respectively, showing the condition of the stamp stock on hand before and after the burglary. From these affidavits I formulate the following figures:

Postage stamps and stamped paper on hand September 30.....	\$1,136,058.67
Stock received October 1-20, 1901, inclusive.....	183,026.38
Total to be accounted for.....	1,319,085.05
Stamps, etc., sold October 1-20, 1901.....	\$428,253.64
Stamps, etc., on hand October 21, 1901.....	816,221.41
	1,244,475.05
Amount lost.....	74,610.00

The records of the post-office covering daily sales of postage stamps are kept in accordance with the postal laws and regulations, and the aggregate sales from October 1 to 20, inclusive, as stated in Melody's affidavit, is taken from this record.

Finding that the loss claimed in this case is not due to any negligence or fault of the postmaster or any of his subordinates, I recommend that he be allowed reimbursement for the full amount, \$74,610.

Very respectfully,

W. S. MAYER, *Post-Office Inspector.*

Col. JAMES E. STUART,  
*Inspector in Charge, Chicago, Ill.*

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EXHIBIT C.—*Affidavit of Thomas R. Melody.*

STATE OF ILLINOIS, *County of Cook:*

On this 30th day of October, 1901, before me, W. S. Mayer, post-office inspector, personally appeared Thomas R. Melody, who, being duly sworn, deposes and says: My age is 59 years; post-office address, 3117 Prairie avenue, Chicago, Ill.; occupation, bookkeeper Chicago post-office. The records of the Chicago post-office under my supervision show that at the close of business September 30, 1901, there was on hand in—

Postage stamps, stamped envelopes, stamped paper, and postal cards.	\$1, 136, 058. 67
Amount of stock received October 1-19, inclusive .....	183, 026. 38

Total to be accounted for .....	1, 319, 085. 05
Postage stamps, etc., sold October 1-19, inclusive .....	428, 253. 64

Total stock on hand, close of business October 19, 1901 .....	890, 831. 41
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THOMAS R. MELODY.

Sworn to and subscribed before me this 30th day of October, 1901.

W. S. MAYER, *Post-office Inspector.*

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EXHIBIT D.—*Affidavit of W. R. Dawes.*

STATE OF ILLINOIS, *County of Cook:*

On this 30th day of October, 1901, before me, W. S. Mayer, a post-office inspector, personally appeared William R. Dawes, who, being duly sworn, deposes and says: My age is 39 years; post-office address, 638 Evanston avenue, Chicago, Ill.; occupation, cashier Chicago post-office. The value of the postage stamps in my possession at the close of business October 19, 1901, was \$494,990. These stamps were in a vault attached to my office, known as the cashier's vault, which is separate and distinct from the vault used by the wholesale stamp clerks. This figure does not include stamped envelopes and postal cards, which are also under the supervision of my office, and which at the close of business October 19, 1901, amounted to: Stamped envelopes, \$108,820.41, and postal cards, \$133,990. The total of the postage stamps, stamped envelopes, and postal cards in my custody at the close of business October 19, 1901, was \$737,800.41, none of which was affected by the burglary of the post-office.

WILLIAM R. DAWES.

Sworn to and subscribed before me this 30th day of October, 1901.

W. S. MAYER, *Post-Office Inspector.*

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EXHIBIT E.—*Affidavit of F. O. Spalding.*

STATE OF ILLINOIS, *County of Cook:*

On this 30th day of October, 1901, before me, W. S. Mayer, a post-office inspector, personally appeared F. O. Spalding, who, being duly sworn, deposes and says: My age is 45 years; post-office address, 216 North Sawyer avenue, Chicago, Ill.; occupa-

tion, stamp clerk. I have charge of the vault in which the wholesale stamp clerk's supplies are kept and also of the records in relation thereto. At the time of the burglary of the post-office on October 19, 1901, I was the only person connected with the office who had access to this vault.

I closed the vault for the day when I went home at about 12.30 o'clock Saturday afternoon, October 19, 1901, and did not open it again until the following Monday morning at about 7.40 o'clock, when I discovered that a hole had been cut through the floor and nearly all of the postage stamps that I had left in the vault had been stolen.

When I closed the vault Saturday afternoon, as stated, there were the following postage stamps therein:

Denomination.	Number.	Value.
1-cent stamps .....	1,776,200	\$17,762.00
2-cent stamps .....	1,662,900	33,258.00
3-cent stamps .....	21,700	651.00
4-cent stamps .....	23,400	936.00
5-cent stamps .....	21,900	1,095.00
6-cent stamps .....	13,600	816.00
8-cent stamps (ordinary) .....	25,900	2,072.00
8-cent stamps (Pan-American) .....	19,600	1,568.00
10-cent stamps (ordinary) .....	32,000	3,200.00
10-cent stamps (Pan-American) .....	32,600	3,260.00
15-cent stamps .....	18,800	2,820.00
50-cent stamps .....	480	240.00
\$1 stamps .....	150	150.00
\$2 stamps .....	307	614.00
\$5 stamps .....	105	525.00
Special-delivery stamps .....	20,600	2,060.00
1-cent postage-due stamps .....	15,500	155.00
2-cent postage-due stamps .....	18,600	372.00
5-cent postage-due stamps .....	25,100	1,255.00
10-cent postage-due stamps .....	29,400	2,940.00
25-cent stamp books .....	400	100.00
49-cent stamp books .....	150	73.50
97-cent stamp books .....	150	145.50
Total .....		76,068.00

All of the postage stamps enumerated above were stolen except the 2-cent stamp books, amounting to \$319, and the \$2 and \$5 stamps, amounting to \$1,139. These were found in and under the vault after I opened it on Monday morning. Therefore the total amount in the vault when closed was \$76,068, and when opened was \$1,458, showing the amount stolen to have been \$74,610.

My records show that at the close of business Saturday, October 19, 1901, I was charged with \$153,031, which was made up of items as follows:

Postage stamps in vault .....	\$76,068
Station credits .....	62,190
Stock in hands of Stamp Clerk Nilles .....	14,773
Total .....	153,031

FRED O. SPALDING.

Sworn to and subscribed before me this 30th day of October, 1901.

W. S. MAYER, *Post-Office Inspector.*

#### EXHIBIT F.—*Affidavit of F. B. Nilles.*

STATE OF ILLINOIS, *County of Cook:*

On this 30th day of October, 1901, before me, W. S. Mayer, a post-office inspector, personally appeared Frank B. Nilles, who, being duly sworn, deposes and says: My age is 26 years; post-office address, 954 West Twenty-first place, Chicago, Ill.; occupation, stamp clerk, Chicago post-office.

For the sake of convenience we close our stamp accounts on Saturday at noon, and when we closed on the 19th of October, 1901, I was charged on the record of F. O. Spalding, who had charge of the wholesale stamp stock, with \$14,773. This consisted of postage stamps of various denominations which he had supplied to me and



which had not been sold. I gave him a receipt for this amount, and he was carrying it as so many stamps in his records. These stamps were not put into the wholesale stamp vault, but were kept in a safe in which I keep my cash and stock. When the robbery was discovered on Monday morning I assisted in counting the postage stamps found in the vault, which were as follows:

Denomination.	Number.	Value.
25-cent stamp books.....	400	\$100.00
49-cent stamp books.....	150	73.50
97-cent stamp books.....	150	145.50
\$2 stamps.....	307	614.00
\$5 stamps.....	105	525.00
Total found in vault after burglary.....		\$1,458.00

FRANK B. NILLES.

Sworn to and subscribed before me this 30th day of October, 1901.

W. S. MAYER, *Post-Office Inspector.*

*Statement of W. R. Doves, cashier.*

OCTOBER 28, 1901.

DEAR SIR: In accordance with request of Mr. John M. Hubbard, assistant postmaster, I give below a statement of the facts in connection with the burglary of the vault in charge of Mr. F. O. Spalding, wholesale stamp clerk, which occurred on or about October 20, 1901. At the close of Mr. Spalding's tour of duty on October 19, 1901, at 12.30 p. m., the stock of stamps, as shown by his cash and stock book, was as follows:

Denomination.	Number.	Value.	Total.
Ordinary stamps:			
Station credits carried as 1-cent stamps.....	6,067,500	\$60,675.00	
1-cent.....	2,067,200	20,762.00	
2-cent.....	1,962,900	39,258.00	
3-cent.....	31,700	951.00	
4-cent.....	33,400	1,336.00	
5-cent.....	31,900	1,595.00	
6-cent.....	23,600	1,416.00	
8-cent.....	25,900	2,072	
10-cent.....	32,000	3,200	
15-cent.....	28,800	4,320	
50-cent.....	580	290	
\$1.....	150	150	
\$2.....	307	614	
\$5.....	105	525	
Special-delivery 10-cent.....	25,600	2,560	
			\$139,724
Books:			
25-cent.....	600	150	
49-cent.....	200	98	
97-cent.....	200	194	
			442
Postage due:			
Station credits as 1-cent stamps.....	151,500	1,515	
1-cent.....	15,500	155	
2-cent.....	18,600	372	
5-cent.....	25,100	1,255	
10-cent.....	29,400	2,940	
			6,237
Pan-American:			
8-cent.....	29,600	2,368	
10-cent.....	42,600	4,260	
			6,628
Total.....			153,031

In order to supply the needs of the public during Saturday afternoon, Mr. Spalding turned over to Mr. Frank B. Nilles, wholesale stamp clerk, the following amounts of the above-mentioned stock:

Denomination.	Number.	Value.	Total.
Ordinary stamps:			
1-cent.....	300,000	\$3,000.00	\$12,850.00
2-cent.....	300,000	6,000.00	
3-cent.....	10,000	300.00	
4-cent.....	10,000	400.00	
5-cent.....	10,000	500.00	
6-cent.....	10,000	600.00	
15-cent.....	10,000	1,500.00	
50-cent.....	100	50.00	
Special delivery 10-cent.....	5,000	500.00	
Books:			
25-cent.....	200	50.00	123.00
49-cent.....	50	24.50	
97-cent.....	50	48.50	
Pan-American:			
8-cent.....	10,000	800.00	1,800.00
10-cent.....	10,000	1,000.00	
Total .....			14,773.00

The remainder of the stock Mr. Spalding placed in the vault, locking the same securely, as usual. The stock, therefore, actually in the vault when it was closed on Saturday afternoon was as follows:

Denomination.	Number.	Value.	Total.	
Ordinary stamps:				
1-cent .....	1,776,200	\$17,762.00	\$66,199.00	
2-cent .....	1,662,900	33,258.00		
3-cent .....	21,700	651.00		
4-cent .....	23,400	936.00		
5-cent .....	21,900	1,095.00		
6-cent .....	13,600	816.00		
8-cent .....	25,900	2,072.00		
10-cent .....	32,000	3,200.00		
15-cent .....	18,800	2,820.00		
50-cent .....	480	240.00		
\$1 .....	150	150.00		
\$2 .....	307	614.00		
\$5 .....	105	525.00		
Special delivery 10-cent .....	20,600	2,060.00		
Books:				
25-cent .....	400	100.00	\$19.00	
49-cent .....	150	73.50		
97-cent .....	150	145.50		
Postage-due:				
1-cent .....	15,500	155.00	4,722.00	
2-cent .....	18,600	372.00		
5-cent .....	25,100	1,255.00		
10-cent .....	29,400	2,940.00		
Pan-American:				
8-cent .....	19,600	1,568.00	4,828.00	
10 cent .....	32,600	3,260.00		
Total .....			76,068.00	

When Mr. Spalding opened his vault about 8 o'clock on Monday morning, October 21, 1901, he found that his vault had been entered from below and the greater portion of his stock removed. Upon investigation he found within the vault or upon the ground beneath the following stamps:

Denomination.	Number.	Value.
Ordinary:		
\$2 .....	307	\$614.00
\$5 .....	105	525.00
Books:		
25-cent .....	400	100.00
49-cent .....	150	73.50
97-cent .....	150	145.50
Total .....		1,458.00

Stock and station credits as shown by Mr. Spalding's books October 19 .....	\$153,031
Less station credits .....	{ \$60,675
	1,515
	62,190
Stock given to F. B. Nilles .....	90,841
	14,773
Found after burglary .....	76,068
	1,458
Total loss .....	74,610

You will of course understand that the items marked "station credits" represent the stock of stamps, stamped envelopes, and postal cards at the various stations. These amounts are carried by the wholesale stamp clerk for convenience as so many 1-cent stamps. This stock, being at the various stations, of course was not in the vault, and therefore these items of "station credits," wherever they may appear, are not to be taken into consideration except as a mere matter of bookkeeping, and are not included in any of the above totals except in the case of the first table. The actual loss was confined to the stamps actually in the vault.

In making up this claim it is necessary to give an account of the total stock of stamps on hand, both prior to and after the loss occurred. I have included in this statement only the stock of stamps, omitting the stamped envelopes and postal cards, inasmuch as none of these were in this vault or in the hands of Mr. Spalding.

Ordinary stamps on hand September 30 .....	\$879,792.00	
Postage due stamps on hand September 30 .....	13,217.75	
Ordinary and Pan-American stamps received in October from 1st to 19th, inclusive .....	115,750.00	\$1,008,759.75
Sales ordinary stamps in October .....	358,358.00	
Sales Pan-American stamps in October .....	2,380.75	
		360,738.75
Total stamps on hand October 19 .....		648,021.00
Ordinary and Pan-American stamps on hand October 21 .....	567,296.00	
Postage due stamps on hand October 21 .....	6,115.00	
		573,411.00
Total loss .....		74,610.00

The method of receiving stamps from the Department and issuing them to the wholesale stamp clerks is substantially as follows: The stamps are shipped to this office by registered mail and are first received by the registry division. Upon notification from the registry division that the stamps are in, the messenger for the finance division secures a force of custodian's janitors or other helpers, and the stamps are then loaded into gurneys or trucks and wheeled into the cashier's cage. They are then transferred from the gurneys and trucks to the vault of the cashier, under the personal supervision of the cashier or his assistant. In doing this, unavoidably the janitors are allowed entrance to the cashier's vault, but at all times are under supervision.

When the wholesale stamp clerk is in need of additional supplies for ordinary business, he makes a requisition upon the cashier for such stamps as he may require for that day. These are taken from the cashier's vault by the messenger and delivered to the wholesale stamp clerk, who places them within his vault provided for that

purpose. The only persons having access to the vault of the wholesale stamp clerk while this is being done are the clerk himself and the messenger.

The wholesale stamp clerk is charged at all times of course with the actual amount of stock in his possession. His method of obtaining a balance and determining the amount of his daily sales is as follows: At the close of business each day his books show the actual amount of stock in his possession at that time, and this stock is transferred from his desk and counters to the vault, and locked up for the night. His business for the following day begins with the amount of stock on hand at the close of business on the previous day. He adds this to the amount of his requisitions upon the cashier during the day, and at the close of his tour of duty he determines the amount of his sales by subtracting the amount of stock on hand from the original stock on hand at the time of opening in the morning plus his requisitions, the result being the amount sold during the day; and under the present system this must balance with the amount of cash received for sales of stamps by the receiving teller in the wholesale stamp section.

As reported to you heretofore, Mr. Spalding closed his vault on Saturday, October 19, at about 12.30 p. m., and opened it again on Monday at about 8 o'clock in the morning, October 21. Some time between these hours his vault was entered from below by cutting out a piece of the steel plate forming the bottom of this vault, and practically all the stock placed in his vault at the close of his tour of duty, October 19, was stolen.

Trusting that the above information will be sufficient for your purposes of making up the necessary affidavits for the claim upon the Department for the amount of this loss, I remain,

Respectfully,

WILLIAM R. DAWES,  
Cashier.

Hon. F. E. COYNE,  
Postmaster, Chicago, Ill.

[Form No. 224.]

*Claim for credit or reimbursement under acts of March 17, 1882, and May 9, 1888.*

STATE OF ILLINOIS, County of Cook, ss:

On this 31st day of October, 1901, before the undersigned, a notary public in and for said county and State, personally appeared F. E. Coyne, who, being by me first duly sworn, on oath says that he was postmaster at Chicago, in the county of Cook and State of Illinois, on the 19-21 days of October, 1901; that between 12.30 p. m. October 19, and 7.40 a. m. October 21, as nearly as he can determine, he sustained losses in the amounts and of the character hereinafter set forth, and for which he claims credit; that the said losses did not result from any fault or negligence on the part of affiant, but from burglary, the circumstances of which are fully set forth in the affidavit which accompanies this claim; that after the said loss occurred there remained in affiant's possession postage stamps and stamped paper of all kinds and descriptions of the value of \$816,221.41, and no more, and that the value of the stamps and stamped paper so lost is shown by the following calculation:

Stamps, etc., on hand at end of previous quarter, September 30, 1901.	\$1, 136, 058. 67
Stamps, etc., received from October 1, 1901, to date of loss.....	183, 026. 38
Total to be accounted for.....	1, 319, 085. 05
Stamps, etc., sold from beginning of quarter to date of loss.....	428, 253. 64
Leaving on hand before the loss occurred.....	890, 831. 41
Stamps, etc., on hand after loss occurred (including all stamps, etc., damaged and returned to the Department.....	816, 221. 41
Lost or destroyed.....	74, 610. 00

Affiant therefore claims credit or reimbursement for the following amounts, lost as aforesaid, viz:

For postage stamps, stamped envelopes, newspaper wrappers, and postal cards..... \$74, 610

F. E. COYNE, Postmaster.

Subscribed and sworn to before me this 31st day of October, A. D. 1901.

[SEAL.]

B. E. DUPPLER, Notary Public.



STATE OF ILLINOIS, *County of Cook, ss:*

I, Philip Knopf, clerk of the county court of Cook County, being a court of record of said county, do hereby certify that B. E. Duppler, whose name is subscribed to the foregoing certificate, was at the date thereof, as appears from the records and files in my said office, notary public in and for said county, and duly authorized as such officer to administer oaths and affirmations, and that I believe his signature to the foregoing certificate to be genuine.

Witness my hand and the seal of said court this 31st day of October, A. D. 1901.

[SEAL.]

PHILIP KNOPF, *Clerk.*STATE OF ILLINOIS, *Cook County, Chicago, ss:*

F. E. Coyne, being first duly sworn, deposes and says that he is the postmaster at Chicago, county of Cook and State of Illinois; that he took charge of said post-office as postmaster on the 1st day of April, A. D. 1901; that between the hours of 12.30 p. m., October 19, 1901, and 7.40 o'clock a. m., October 21, 1901, a burglary was committed in said post-office, the circumstances of which are that entrance was effected underneath the temporary post-office building through a small door near the southeast corner of the building, about 30 feet north from which point a hole was made in the east wall of the said temporary structure, thence going to the vault by trenches made when the foundations of the building were strengthened some two years since. A hole was then cut through brickwork, cement, and the steel floor of the vault, 18 inches square, which enabled the burglars to remove the contents of the vault. The vault when closed on Saturday afternoon, October 19, 1901, at or about 12.30 o'clock, contained postage stamps to the value of \$76,068. On opening the vault at or about 7.40 a. m. on October 21, 1901, there was found scattered on the floor or upon the ground beneath the floor of the vault postage stamps to the value of \$1,458. The loss by the burglary was, therefore, postage stamps to the value of \$74,610. Further deponent saith not.

F. E. COYNE, *Postmaster.*

Subscribed and sworn to before me this 2d day of November, A. D. 1901.

[SEAL.]

JOHN W. WARD,  
*Notary Public.*

[Form 204.]

OFFICE OF ASSISTANT ATTORNEY-GENERAL  
FOR THE POST-OFFICE DEPARTMENT,  
*Washington, D. C., Nov. 4, 1901.*

Respectfully referred to the Third Assistant Postmaster-General, and his attention called to the inclosed statement of the claim of the postmaster at Chicago, county of Cook, State of Illinois.

Please return this with such information as you may have in your office bearing upon the claim, particularly as to the amount of postage stamps, stamped envelopes, newspaper wrappers, and postal cards in the hands of the postmaster at the time of the alleged loss.

Please reply on the inside of this sheet.

JAS. N. TYNER,  
*Ass't Att'y. Gen'l, P. O. Dep't.*

Post-office at Chicago, Ill. F. E. Coyne, postmaster, claims credit for loss sustained in the burglary of his post-office on the 20th Oct., 1901. Amount claimed, \$74,610.00. Amount saved, \$816,221.41.

Reported amount of stamps, etc., on hand September 30, 1901, as per returns to the Auditor.....	\$1,249,008.67
Sent on subsequent orders prior to October 20, 1901.....	\$67,276.38
By transfer from—	
Cleveland, Ohio.....	1,600.00
Detroit, Mich.....	800.00
St. Paul, Minn.....	400.00
	<hr/> 70,076.30
Total.....	<hr/> 1,319,085.05

Deduct estimated sales for 19 days (the average daily sales being \$19,176.49) .....	\$364,353.31
Leaving the probable amount on hand at close of business on October 19, 1901.....	954,731.74
Amount saved .....	816,221.41
	<u>138,510.33</u>
Memoranda:	
Sales, third quarter, 1901.....	1,733,377.46
Sales, fourth quarter, 1900.....	1,795,096.80

EDWIN C. MADDEN,  
*Third Assistant Postmaster-General.*

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